

## UNITED STATES DISTRICT COURT

SOUTHERN

District of

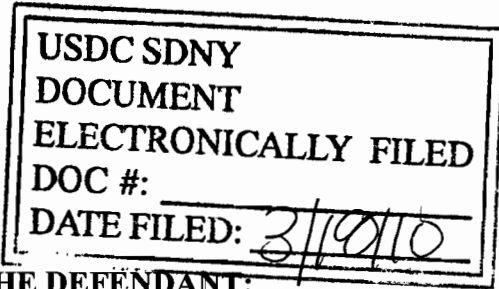
NEW YORK

UNITED STATES OF AMERICA

JUDGMENT IN A CRIMINAL CASE

V.

MICHAEL AYNGORN



Case Number: 07CR1087-02 (BSJ)

USM Number: 60355-054

George Goltzer / AUSA Andy Fish  
Defendant's Attorney

THE DEFENDANT:

☒ pleaded guilty to count(s) One and Two☐ pleaded nolo contendere to count(s) \_\_\_\_\_  
which was accepted by the court.☐ was found guilty on count(s) \_\_\_\_\_  
after a plea of not guilty.

The defendant is adjudicated guilty of these offenses:

Title & Section	Nature of Offense	Offense Ended	Count
18 USC 371	Conspiracy to Commit Securities Fraud and Mail Fraud, class D felony	6/30/2007	One
15 USC 78ff and 78j(b)	Securities Fraud, class C felony	6/30/2007	Two

The defendant is sentenced as provided in pages 2 through 6 of this judgment. The sentence is imposed pursuant to the Sentencing Reform Act of 1984.☐ The defendant has been found not guilty on count(s) \_\_\_\_\_☐ Count(s) \_\_\_\_\_☐ Underlying \_\_\_\_\_☐ Motion(s) \_\_\_\_\_

<input type="checkbox"/> is	<input type="checkbox"/> are dismissed on the motion of the United States.
<input type="checkbox"/> is	<input type="checkbox"/> are dismissed on the motion of the United States.
<input type="checkbox"/> is	<input type="checkbox"/> are denied as moot.

It is ordered that the defendant must notify the United States attorney for this district within 30 days of any change of name, residence, or mailing address until all fines, restitution, costs, and special assessments imposed by this judgment are fully paid. If ordered to pay restitution, the defendant must notify the court and United States attorney of material changes in economic circumstances.

November 12, 2009

Date of Imposition of Judgment

Signature of Judge

Honorable Barbara S. Jones, U.S.D.J.

Name and Title of Judge

Date

**DEFENDANT:** MICHAEL AYNGORN  
**CASE NUMBER:** 07CR1087-02 (BSJ)

## IMPRISONMENT

The defendant is hereby committed to the custody of the United States Bureau of Prisons to be imprisoned for a total term of: **51 months**

The defendant is sentenced to an imprisonment term of 51 months on count one and 51 months on count two, to run concurrently for a total imprisonment term of 51 months.

☒ The court makes the following recommendations to the Bureau of Prisons:  
 The defendant shall be designated to a facility in or as close to the NYC metro area as possible.  
 The Court recommends that the defendant participate in a drug and alcohol treatment program at his designated facility.

☐ The defendant is remanded to the custody of the United States Marshal.

☐ The defendant shall surrender to the United States Marshal for this district:

☐ at \_\_\_\_\_ ☐ a.m. ☐ p.m. on \_\_\_\_\_.

☐ as notified by the United States Marshal.

☒ The defendant shall surrender for service of sentence at the institution designated by the Bureau of Prisons:

☒ before 2 p.m. on April 16, 2010.

☐ as notified by the United States Marshal.

☐ as notified by the Probation or Pretrial Services Office.

## RETURN

I have executed this judgment as follows:

Defendant delivered on \_\_\_\_\_ to \_\_\_\_\_

a \_\_\_\_\_, with a certified copy of this judgment.

\_\_\_\_\_  
UNITED STATES MARSHAL

By \_\_\_\_\_  
DEPUTY UNITED STATES MARSHAL

**DEFENDANT:** MICHAEL AYN GORN  
**CASE NUMBER:** 07CR1087-02 (BSJ)

### SUPERVISED RELEASE

Upon release from imprisonment, the defendant shall be on supervised release for a term of : 2 years

The defendant is sentenced to 2 years of supervised release on count one and 2 years on count two, to run concurrently for a total supervised release term of 2 years.

The defendant must report to the probation office in the district to which the defendant is released within 72 hours of release from the custody of the Bureau of Prisons.

The defendant shall not commit another federal, state or local crime.

The defendant shall not unlawfully possess a controlled substance. The defendant shall refrain from any unlawful use of a controlled substance. The defendant shall submit to one drug test within 15 days of release from imprisonment and at least two periodic drug tests thereafter, as determined by the court.

☒ The above drug testing condition is suspended, due to imposition of a special condition requiring drug treatment and testing.

☒ The defendant shall not possess a firearm, ammunition, destructive device, or any other dangerous weapon. (Check, if

☒ The defendant shall cooperate in the collection of DNA as directed by the probation officer. (Check, if applicable.)

☐ The defendant shall register with the state sex offender registration agency in the state where the defendant resides, works, or student, as directed by the probation officer. (Check, if applicable.)

☐ The defendant shall participate in an approved program for domestic violence. (Check, if applicable.)

If this judgment imposes a fine or restitution, it is a condition of supervised release that the defendant pay in accordance with the Schedule of Payments sheet of this judgment.

The defendant must comply with the standard conditions that have been adopted by this court as well as with any additional conditions on the attached page.

### STANDARD CONDITIONS OF SUPERVISION

- 1) the defendant shall not leave the judicial district without the permission of the court or probation officer;
- 2) the defendant shall report to the probation officer and shall submit a truthful and complete written report within the first five days of each month;
- 3) the defendant shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer;
- 4) the defendant shall support his or her dependents and meet other family responsibilities;
- 5) the defendant shall work regularly at a lawful occupation, unless excused by the probation officer for schooling, training, or other acceptable reasons;
- 6) the defendant shall notify the probation officer at least ten days prior to any change in residence or employment;
- 7) the defendant shall refrain from excessive use of alcohol and shall not purchase, possess, use, distribute, or administer any controlled substance or any paraphernalia related to any controlled substances, except as prescribed by a physician;
- 8) the defendant shall not frequent places where controlled substances are illegally sold, used, distributed, or administered;
- 9) the defendant shall not associate with any persons engaged in criminal activity and shall not associate with any person convicted of a felony, unless granted permission to do so by the probation officer;
- 10) the defendant shall permit a probation officer to visit him or her at any time at home or elsewhere and shall permit confiscation of any contraband observed in plain view of the probation officer;
- 11) the defendant shall notify the probation officer within seventy-two hours of being arrested or questioned by a law enforcement officer;
- 12) the defendant shall not enter into any agreement to act as an informer or a special agent of a law enforcement agency without the permission of the court; and
- 13) as directed by the probation officer, the defendant shall notify third parties of risks that may be occasioned by the defendant's criminal record or personal history or characteristics and shall permit the probation officer to make such notifications and to confirm the defendant's compliance with such notification requirement.

**DEFENDANT:** MICHAEL AYN GORN  
**CASE NUMBER:** 07CR1087-02 (BSJ)

### **ADDITIONAL SUPERVISED RELEASE TERMS**

**The defendant shall not incur new credit charges or open additional lines of credit without the approval of the probation officer unless the defendant is in compliance with the installment payment schedule.**

**The defendant will participate in a program approved by the United States Probation Office, which program may include testing to determine whether the defendant has reverted to using drugs or alcohol. The Court authorizes the release of available drug treatment evaluations and reports to the substance abuse treatment provider, as approved by the Probation Officer. The defendant will be required to contribute to the costs of services rendered (co-payment), in an amount determined by the probation officer, based on ability to pay or availability of the third-party payment.**

**The defendant shall participate in an alcohol aftercare treatment program under a co-payment plan, which may include urine testing at the direction and discretion of the probation officer.**

**The defendant shall provide the probation officer with access to any requested financial information.**

**If the defendant is sentenced to any period of supervision, it is recommended that the defendant be supervised by the district of residence.**

**It is ordered that the defendant make restitution to such persons totaling \$2,791,593 except that no further payment shall be required after the sum of the amount actually paid by all defendants has fully covered all of the compensable injuries. Any payment made by the defendant shall be divided among the persons named in proportion to their compensable injuries. The following co-defendant is jointly and severally responsible for restitution:**

**Felix Strashnov 07cr1087-01 (BSJ)**

**If the defendant is engaged in a BOP non-UNICOR work program, the defendant shall pay \$25 per quarter toward the criminal financial penalties. However, if the defendant participates in the BOP's UNICOR program as a grade 1 through 4, the defendant shall pay 50% of his monthly UNICOR earnings toward the criminal financial penalties, consistent with BOP regulations at 28 C.F.R. 545.11.**

**The balance of the restitution shall be paid in monthly installments of 20% of the defendant's gross monthly income over a period of supervision to commence 30 days after the release from custody. The defendant shall notify the United States Attorney for this district within 30 days of any change of mailing or residence address that occurs while any portion of the restitution remains unpaid.**

DEFENDANT: MICHAEL AYN GORN  
CASE NUMBER: 07CR1087-02 (BSJ)

**CRIMINAL MONETARY PENALTIES**

The defendant must pay the total criminal monetary penalties under the schedule of payments on Sheet 6.

	<u>Assessment</u>	<u>Fine</u>	<u>Restitution</u>
TOTALS	\$ 200.00	\$0.00	\$ 2,791,593

☐ The determination of restitution is deferred \_\_\_\_\_. An *Amended Judgment in a Criminal Case* (AO 245C) will be after such determination.

☐ The defendant must make restitution (including community restitution) to the following payees in the amount listed below.

If the defendant makes a partial payment, each payee shall receive an approximately proportioned payment, unless specified otherwise in the priority order or percentage payment column below. However, pursuant to 18 U.S.C. § 3664(i), all nonfederal victims must be paid before the United States is paid.

<u>Name of Payee</u>	<u>Total Loss*</u>	<u>Restitution Ordered</u>	<u>Priority or Percentage</u>
see attached chart (page 5A)		\$2,791,593.00	

TOTALS	\$ _____	\$0.00	\$ _____	\$2,791,593.00
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☐ Restitution amount ordered pursuant to plea \_\_\_\_\_

☐ The defendant must pay interest on restitution and a fine of more than \$2,500, unless the restitution or fine is paid in full before fifteenth day after the date of the judgment, pursuant to 18 U.S.C. § 3612(f). All of the payment options on Sheet 6 may be subject to penalties for delinquency and default, pursuant to 18 U.S.C. § 3612(g).

☒ The court determined that the defendant does not have the ability to pay interest and it is ordered that:

☒ the interest requirement is waived for ☐ fine ☒ restitution.

☐ the interest requirement for ☐ fine ☐ restitution is modified as follows:

\* Findings for the total amount of losses are required under Chapters 109A, 110, 110A, and 113A of Title 18 for offenses committed on or after September 13, 1994, but before April 23, 1996.



Page 5A

Date	Investor Name	Street Address	City	State	Zip	SSN	Investment # of shares	\$ Invested
03/23/2007	Saavedra, Alfonso	8807 Amboy Ave	Sun Valley	CA	91352		2,000	\$ 10,000
03/23/2007	Alvarado, Jonathan	299 East Lane	El Cajon	CA	92021		1,000	\$ 5,000
04/27/2007	Alvarado, Shirley	299 East Lane	El Cajon	CA	92021		2,000	\$ 10,000
11/26/2006	Baxter, Leroy	70797 State Hwy 28	Graceville	MN	56240		2,000	\$ 10,000
03/30/2007	Belcher, Kerry	36 Le Mans	Newport Coast	CA	92657		10	\$ 50
11/28/2006	Berig, Harvey	6921 Scarlet Oaks Dr	Elkridge	MD	21075		4,880	\$ 24,400
02/20/2007	Berig, Harvey	6921 Scarlet Oaks Dr	Elkridge	MD	21075		2,500	\$ 12,500
02/28/2007	Bielicki Jr., James	202 Hayslack Lane	Wilmington	DE	19807		100	\$ 500
01/24/2007	Briggs, James	94 Carver Ln	Narragansett	RI	02882		1,000	\$ 5,000
03/28/2007	Burke, James	402 S. Schriker Ave	North Judson	IN	46366		4,000	\$ 20,000
04/03/2007	Evans, Harry	621 Laurel Lake Dr B-103	Columbus	NC	28722		500	\$ 2,500
03/23/2007	Gioseff, Tom	38 Twin Oaks	San Rafael	CA	94901		1,000	\$ 5,000
02/16/2007	Gregory, Shirley & James	15 Nonesuch Rd	Dallas	TX	75214		500	\$ 2,500
03/13/2007	Harris, Keith	4437 SW Melville Ave	Portland	OR	97239		500	\$ 2,500
02/28/2007	Helms, Thomas	610 Wingrave Dr	Charlotte	NC	28270		1,000	\$ 5,000
12/19/2006	Jablonski, Richard	26722 Hyde Rd	Rancho Palos Verdes	CA	90275		2,500	\$ 12,500
03/09/2007	Jablonski, Richard	26722 Hyde Rd	Rancho Palos Verdes	CA	90275		3,000	\$ 15,000
03/14/2007	Jones, Edward	116 Maplewood Ave	Thomasville	NC	27360		2,000	\$ 10,000
03/14/2007	Jordan, Clay	1616 Rosewood St	Seguin	TX	78155		500	\$ 2,500
11/13/2006	Koch, Leon	2000 Westwood Dr	Wausau	WI	54401		1,500	\$ 7,500
02/12/2007	Koch, Leon	3707 Maple Ridge Rd	Wausau	WI	54403		1,200	\$ 6,000
04/12/2007	Koch, Leon	3707 Maple Ridge Rd	Wausau	WI	54403		2,000	\$ 10,000
03/08/2007	Kolanowski, Bernard	7221 Linden Terrace	Carlsbad	CA	92021		300	\$ 1,500
11/01/2006	Kolb, William	49 Patricia Dr	Toms River	NJ	08753		1,000	\$ 5,000
03/08/2007	Leslie, Douglas	498 Eureka St	San Francisco	CA	94114		7,500	\$ 37,500
03/28/2007	Moddrell, Chester	1308 Stacy St	San Marcos	TX	78666		500	\$ 2,500
03/23/2007	Nuzum, Gerald	6088 Ledgeview Dr	Peninsula	OH	44264		10,000	\$ 50,000
02/07/2007	Oberg, Rodney	183 E. Little Canada Rd	St. Paul	MN	55117		1,000	\$ 5,000
03/08/2007	Osgood, Jeffrey	9103 Bredeker Cir	Dallas	TX	75225		1,000	\$ 5,000
04/16/2007	Oster, Randy	48912 284th Ave SE	Enumclaw	WA	98022		1,000	\$ 5,000
02/13/2007	Paules, Roy	753 Country Club Rd	York	PA	17403		1,000	\$ 5,000
11/08/2006	Sherer, Michael	2603 NE 87th St	Seattle	WA	98115		5,000	\$ 25,000
11/03/2006	Stone, Michael	754 Springlake Ln NW	Atlanta	GA	30318		1,000	\$ 5,000
06/28/2006	Szenborski Jr, Chester	3616 Lex Court	Port Orange	FL	32129		4,000	\$ 20,000
11/20/2006	Walker Properties LP	1322 Industrial Park Dr	Clarksdale	MS	38614		3,000	\$ 15,000
03/16/2007	Wasem, Clifford	655 Riverview Blvd	Clarkston	WA	99403		500	\$ 2,500
12/11/2006	Waymire, Laurence	7 Orlando Ct	Laguna Higuell	CA	92677		1,020	\$ 5,100

03/14/2007	Yamada, Henry	5995 S. Sepulveda Blvd Suite 207	Culver City	CA	90230	EDG	1,000	\$ 5,000
10/06/2006	Yovicisin, Thomas	83 Arrowhead Circle	Ashland	MA	01721	EDG	2,000	\$ 10,000
10/26/2006	Yovicisin, Thomas	83 Arrowhead Circle	Ashland	MA	01721	EDG	2,160	\$ 10,800
10/26/2006	Yovicisin, Thomas	83 Arrowhead Circle	Ashland	MA	01721	EDG	14,916	\$ 74,580
						Amount Raised		\$ 467,930
12/06/2005	Adamitis, Kenneth	1102 Ari Ct	Sugar Land	TX	77479	EDGFI	20,000	\$ 50,000
02/25/2005	Altford, Mack	548 Old Huntsville Rd	Fayetteville	TN	37334	EDGFI	1,000	\$ 2,500
01/15/2005	Banks, Dr. Leon	3655 Homeway Dr	Los Angeles	CA	90008	EDGFI	2,000	\$ 5,000
12/02/2005	Banks, Dr. Leon	3655 Homeway Dr	Los Angeles	CA	90008	EDGFI	2,100	\$ 5,250
06/14/2005	Banks, William	Longwood at Oakmont 2106 Alc Drive	Verona	PA	15147	EDGFI	8,000	\$ 20,000
08/01/2005	Banks, William	Longwood at Oakmont 2106 Alc Drive	Verona	PA	15147	EDGFI	12,000	\$ 30,000
03/17/2006	Banks, William	Longwood at Oakmont 2106 Alc Drive	Verona	PA	15147	EDGFI	10,000	\$ 25,000
04/18/2005	Baxter, Joan	70797 State Hwy 28	Graceville	GA	56240	EDGFI	1,390	\$ 3,475
04/18/2005	Baxter, Leroy	70797 State Hwy 28	Graceville	GA	56240	EDGFI	2,600	\$ 6,500
09/29/2006	Bedford, Clay	557 Rt. 202	Barrington	NH	03825	EDGFI	1,000	\$ 2,500
12/18/2006	Bedford, Clay	557 Rt. 202	Barrington	NH	03825	EDGFI	1,000	\$ 2,500
01/23/2007	Bergstrom, Carl	936 I Ave.	Ogden	IA	50212	EDGFI	2,000	\$ 5,000
01/24/2006	Berig, Harvey	6921 Scarlet Oaks Dr	Elkridge	MD	21075	EDGFI	2,760	\$ 6,900
04/28/2006	Berig, Harvey	6921 Scarlet Oaks Dr	Elkridge	MD	21075	EDGFI	?	\$ - 0
07/13/2006	Berig, Harvey	6921 Scarlet Oaks Dr	Elkridge	MD	21075	EDGFI	1,602	\$ 4,005
07/13/2006	Berig, Harvey	6921 Scarlet Oaks Dr	Elkridge	MD	21075	EDGFI	2,404	\$ 6,010
04/11/2007	Berig, Harvey	6921 Scarlet Oaks Dr	Elkridge	MD	21075	EDGFI	21,840	\$ 54,600
07/14/2005	Bracanovich, Andrew	3606 N. Kachina Ln	Scottsdale	AZ	85251	EDGFI	6,000	\$ 15,000
08/02/2005	Bracanovich, Andrew	3606 N. Kachina Ln	Scottsdale	AZ	85251	EDGFI	8,000	\$ 20,000
09/12/2006	Bramlette, Darryl	7700 Ruth Ridge Rd	Jamestown	CA	95327	EDGFI	3,000	\$ 7,500
10/05/2006	Burke, James	402 S. Schnicker Ave	North Judson	IN	46366	EDGFI	2,000	\$ 5,000
10/23/2006	Burke, James	402 S. Schnicker Ave	North Judson	IN	46366	EDGFI	2,000	\$ 5,000
08/03/2005	Burnash, George	10541 Malaga Way	Rancho Cordova	CA	95670	EDGFI	1,000	\$ 2,500
06/14/2006	Burnash, George	10541 Malaga Way	Rancho Cordova	CA	95670	EDGFI	1,000	\$ 2,500
09/07/2006	Burnash, George	10541 Malaga Way	Rancho Cordova	CA	95670	EDGFI	1,050	\$ 2,625
09/27/2005	Campbell, Martin	1070 24th Ave. E	Seattle	WA	98112	EDGFI	1,000	\$ 2,500
05/03/2006	Colonell, Joseph	% URS Corp 2700 Gambell St. #200	Anchorage	AK	99503	EDGFI	4,000	\$ 10,000
05/22/2006	Colonell, Joseph	PO Box 242086	Anchorage	AK	99524	EDGFI	6,000	\$ 15,000
12/07/2006	Colonell, Joseph	PO Box 242086	Anchorage	AK	99524	EDGFI	4,000	\$ 10,000
05/31/2005	Coopridge, Leon	Rt. 2 Box	Sayre	OK	73662	EDGFI	1,000	\$ 2,500
03/24/2006	Cross, Michael	208 Federal S	Hampton	IA	50441	EDGFI	2,000	\$ 5,000
09/22/2006	Cross, Michael	117 1st Ave NW, PO Box 535	Hampton	IA	50441	EDGFI	3,645	\$ 9,113



03/03/2005	Dardaris, Michael	1933 Teaberry Ave	Williamstown	NJ	08094	EDGFI	9,534	\$ 23,835
05/31/2005	Dardaris, Michael	1933 Teaberry Ave	Williamstown	NJ	08094	EDGFI	20,000	\$ 50,000
11/21/2005	Dardaris, Michael	1933 Teaberry Ave	Williamstown	NJ	08094	EDGFI	10,500	\$ 26,250
09/29/2006	Dardaris, Michael	1933 Teaberry Ave	Williamstown	NJ	08094	EDGFI	6,000	\$ 15,000
03/04/2005	DiToro, James	2845 S. Sydenham St	Philadelphia	PA	19145	EDGFI	2,000	\$ 5,000
10/12/2005	DiToro, James	2845 S. Sydenham St	Philadelphia	PA	19145	EDGFI	8,000	\$ 20,000
01/05/2006	DiToro, James	2845 S. Sydenham St	Philadelphia	PA	19145	EDGFI	4,920	\$ 12,300
11/06/2006	Dominguez, David	8650 Miramar Rd Suite C	San Diego	CA	92126	EDGFI	3,400	\$ 8,500
11/28/2004	Duhon, Claiborne	1759 Marseille Dr	Gulf Breeze	FL	32563	EDGFI	1,000	\$ 2,500
02/14/2005	Duhon, Claiborne	1759 Marseille Dr	Gulf Breeze	FL	32563	EDGFI	1,600	\$ 4,000
02/08/2006	Dunkelberg, William	515 Sabine Circle	Wynnewood	PA	19096	EDGFI	1,000	\$ 2,500
07/28/2005	Ervin, Wilbur	1009 Leslie Rd	Harve De Grace	MD	21078	EDGFI	4,000	\$ 10,000
04/06/2006	Essler, David	1221 Terrace Ct	Alexandria	MN	56308	EDGFI	10,000	\$ 25,000
09/09/2005	Fitzgibbon, Robert	104 Lewis Ave	Walpole	MA	02081	EDGFI	1,000	\$ 2,500
12/23/2005	Fitzgibbon, Robert	104 Lewis Ave	Walpole	MA	02081	EDGFI	1,000	\$ 2,500
06/01/2006	Fitzgibbon, Robert	104 Lewis Ave	Walpole	MA	02081	EDGFI	2,000	\$ 5,000
06/23/2006	Fitzgibbon, Robert	104 Lewis Ave	Walpole	MA	02081	EDGFI	2,000	\$ 5,000
12/22/2004	Freedman, Philip	Plaza Towers Apt 310 2350 Tremont St	Philadelphia	PA	19115	EDGFI	4,000	\$ 10,000
01/15/2005	Freedman, Philip	Plaza Towers Apt 310 2350 Tremont St	Philadelphia	PA	19115	EDGFI	4,000	\$ 10,000
01/31/2005	Freedman, Philip	Plaza Towers Apt 310 2350 Tremont St	Philadelphia	PA	19115	EDGFI	4,000	\$ 10,000
02/15/2005	Freedman, Philip	Plaza Towers Apt 310 2350 Tremont St	Philadelphia	PA	19115	EDGFI	8,000	\$ 20,000
04/07/2005	Freedman, Philip	Plaza Towers Apt 310 2350 Tremont St	Philadelphia	PA	19115	EDGFI	10,000	\$ 25,000
05/09/2005	Freedman, Philip	Plaza Towers Apt 310 2350 Tremont St	Philadelphia	PA	19115	EDGFI	10,000	\$ 25,000
10/01/2005	Golden, John	2816 Abingdon Parkway	Vestavia Hills	AL	35243	EDGFI	3,300	\$ 8,250
03/13/2006	Golden, John	2816 Abingdon Parkway	Vestavia Hills	AL	35243	EDGFI	10,200	\$ 25,500
04/03/2006	Golden, John	2816 Abingdon Parkway	Vestavia Hills	AL	35243	EDGFI	190	\$ 475
10/25/2006	Haltiner, John	320 Willow Bend Dr	Metumpka	AL	36093	EDGFI	2,000	\$ 5,000
04/20/2006	Haney, James	308 East K St	Erwin	NC	28339	EDGFI	1,600	\$ 4,000
06/14/2006	Haney, James	308 East K St	Erwin	NC	28339	EDGFI	1,238	\$ 3,095
01/21/2005	Harpster, Richard	W. 399 S. 5572 Highway Z	Dousman	WI	53118	EDGFI	2,000	\$ 5,000
09/25/2006	Holden, John	2539 Mountain Ln	Freeport	IL	61032	EDGFI	1,000	\$ 2,500
10/23/2006	Holden, John	2539 Mountain Ln	Freeport	IL	61032	EDGFI	1,000	\$ 2,500
10/26/2006	Howell, James	608 Sherwood Dr	Carlisle	PA	17013	EDGFI	4,000	\$ 10,000
05/03/2006	Huang, Scott	11 Las Cruces	Irvine	CA	92614	EDGFI	1,000	\$ 2,500
02/05/2005	Hubbard, George	3 Midway Rd	Shelter Island	NY	11964	EDGFI	4,000	\$ 10,000
12/18/2006	Hubbard, George	55 B. North Ferry Rd	Shelter Island	NY	11964	EDGFI	4,000	\$ 10,000
01/02/2007	Hubbard, George	55 B. North Ferry Rd	Shelter Island	NY	11964	EDGFI	2,000	\$ 5,000
02/23/2006	Imperiale, Peter	406 Hillside Ave	Nutley	NJ	07110	EDGFI	2,400	\$ 6,000



10/05/2006	Isernich, Dr. Markus	201 Veranda Court	Raleigh	NC	27615	EDGFI	2,000	\$ 5,000
10/17/2005	Jaret, Alec	182 Rawson Road	Brookline	MA	02445	EDGFI	4,000	\$ 10,000
08/01/2005	Jarvis, James	23092 580th Ave	Ames	IA	50010	EDGFI	1,600	\$ 4,000
02/14/2005	Jenkins, Chris	703 Rancho Nogales Dr	Covina	CA	91724	EDGFI	4,000	\$ 10,000
10/31/2006	Jenkins, Chris	703 Rancho Nogales Dr	Covina	CA	91724	EDGFI	8,600	\$ 21,500
03/03/2006	Koch, Leon	3707 Maple Ridge Rd	Wausau	WI	54403	EDGFI	4,000	\$ 10,000
04/04/2006	Koch, Leon	3707 Maple Ridge	Wausau	WI	54403	EDGFI	7,310	\$ 18,275
06/28/2006	Koch, Leon	3707 Maple Ridge Rd	Wausau	WI	54403	EDGFI	4,000	\$ 10,000
09/19/2006	Koch, Leon	3707 Maple Ridge Rd	Wausau	WI	54403	EDGFI	4,800	\$ 12,000
07/01/2005	Kolb, William	49 Patricia Dr	Toms River	NJ	08753	EDGFI	2,000	\$ 5,000
10/26/2005	Kolb, William	49 Patricia Dr	Toms River	NJ	08753	EDGFI	1,600	\$ 4,000
09/01/2006	Kolb, William	49 Patricia Dr	Toms River	NJ	08753	EDGFI	1,000	\$ 2,500
10/10/2005	Kreitzman, John	3692 Park Point Drive	Lexington	KY	40509	EDGFI	3,160	\$ 7,900
01/19/2006	Kreitzman, John	3692 Park Point Drive	Lexington	KY	40509	EDGFI	1,000	\$ 2,500
03/02/2005	Lake Trustee, Larry	3056 Richmond Hill Dr	Nashville	TN	37207	EDGFI	2,000	\$ 5,000
09/16/2005	Landrus, Robert	48007 382nd Place	Palisade	MN	56469	EDGFI	1,000	\$ 2,500
12/06/2005	Landrus, Robert	48007 382nd Place	Palisade	MN	56469	EDGFI	800	\$ 2,000
03/10/2006	Lee, Gerald Alan	710 Bounty Drive #1005	Foster City	CA	94404	EDGFI	2,000	\$ 5,000
10/17/2006	Lee, Gerald Alan	710 Bounty Drive #1005	Foster City	CA	94404	EDGFI	2,000	\$ 5,000
10/30/2006	Lee, Gerald Alan	710 Bounty Drive #1005	Foster City	CA	94404	EDGFI	2,000	\$ 5,000
05/30/2006	Leslie, Douglas	498 Eureka St	San Francisco	CA	94114	EDGFI	4,000	\$ 10,000
07/21/2006	Leslie, Douglas	498 Eureka St	San Francisco	CA	94114	EDGFI	16,000	\$ 40,000
11/27/2006	Leslie, Douglas	498 Eureka St	San Francisco	CA	94114	EDGFI	20,000	\$ 50,000
12/01/2004	Linhohn, Randy Scott	4680 Echo Ct	Stacy	MN	55079	EDGFI	1,000	\$ 2,500
03/25/2005	Linhohn, Randy Scott	4680 Echo Ct	Stacy	MN	55079	EDGFI	1,000	\$ 2,500
01/17/2006	Linhohn, Randy Scott	4680 Echo Ct	Stacy	MN	55079	EDGFI	8,000	\$ 20,000
12/06/2006	Linhohn, Randy Scott	4680 Echo Ct	Stacy	MN	55079	EDGFI	9,600	\$ 24,000
06/01/2005	Little, Jerry	1989 Northmont Dr	Asheboro	NC	27205	EDGFI	10,000	\$ 25,000
02/15/2006	Lubke, Jerald	14574 SD Hwy 15	Milbank	SD	57252	EDGFI	4,000	\$ 10,000
12/23/2005	Mayorga, William	8412 Boulder Place	San Diego	CA	92119	EDGFI	920	\$ 2,300
08/05/2005	McQuoid, Terry	2475 Union Rd	Isle	MN	56342	EDGFI	1,000	\$ 2,500
09/09/2005	Mellang, Gregg	8412 Virginia Circle	Bloomington	MN	55438	EDGFI	13,322	\$ 33,305
11/15/2005	Mellang, Gregg	8412 Virginia Circle	Bloomington	MN	55438	EDGFI	25,680	\$ 64,200
12/30/2005	Miligan, James	204 North Main St.	Monticello	IN	47960	EDGFI	10,000	\$ 25,000
05/17/2006	Miligan, James	323 N. Bluff St	Monticello	IN	47960	EDGFI	5,000	\$ 12,500
07/24/2006	Miligan, James	204 North Main St.	Monticello	IN	47960	EDGFI	3,600	\$ 9,000
08/21/2006	Miligan, James	204 North Main St.	Monticello	IN	47960	EDGFI	1,400	\$ 3,500
09/21/2006	Moore, William	436 Russell Ave	Gaithersburg	MD	20877	EDGFI	6,000	\$ 15,000

10/16/2006	Moore, William	436 Russell Ave	Gaithersburg	MD	20877		8	EDGFI	14,000	\$ 35,000
02/10/2005	Neumann, Roy	312 Locust St	Muscatine	IA	52761			EDGFI	1,000	\$ 2,500
09/02/2005	Neumann, Roy	312 Locust St	Muscatine	IA	52761			EDGFI	2,000	\$ 5,000
09/26/2006	Novak, Richard	2144 Mehatfey Bridge Rd	Solon	IA	52333			EDGFI	1,000	\$ 2,500
04/26/2006	Nuzum, Gerald	6088 Ledgeview Dr	Peninsula	OH	44264			EDGFI	10,000	\$ 25,000
11/27/2006	Nuzum, Gerald	6088 Ledgeview Dr	Peninsula	OH	44264			EDGFI	10,000	\$ 25,000
?	Oberg, Rodney	183 E. Little Canada Rd	St. Paul	MN	55117			EDGFI	?	\$ - 0
02/22/2006	Otto, Lynn	5608 Whinevine Rd	Middlevine	MI	49333			EDGFI	10,000	\$ 25,000
05/22/2006	Otto, Lynn	5608 Whinevine Rd	Middlevine	MI	49333			EDGFI	20,000	\$ 50,000
09/07/2006	Otto, Lynn	5608 Whinevine Rd	Middlevine	MI	49333			EDGFI	10,000	\$ 25,000
09/30/2005	Phillips, Valerie	2119 Gentry St	North Kansas City	MO	64116			EDGFI	1,360	\$ 3,400
12/20/2004	Raynor, Bruce	3916 Watauga Dr	Greensboro	NC	27410			EDGFI	10,000	\$ 25,000
11/11/2005	Raynor, Bruce	3916 Watauga Dr	Greensboro	NC	27410			EDGFI	10,000	\$ 25,000
02/10/2006	Roberts, James	3292 E. Bengal Blvd	Salt Lake City	UT	84121			EDGFI	2,000	\$ 5,000
11/28/2005	Robinson, Paul	N3031 Cth FA	LaCrosse	WI	54601			EDGFI	40,000	\$ 100,000
05/09/2006	Robinson, Paul	N3031 Cth FA	LaCrosse	WI	54601			EDGFI	20,000	\$ 50,000
05/17/2006	Robinson, Paul	N3031 Cth FA	LaCrosse	WI	54601			EDGFI	394	\$ 985
09/13/2005	Ronde, Richard	7 Madsen Lane	East Northport	NY	11731			EDGFI	2,000	\$ 5,000
12/27/2005	Ronde, Richard	7 Madsen Lane	East Northport	NY	11731			EDGFI	4,000	\$ 10,000
07/20/2006	Ronde, Richard	7 Madsen Lane	East Northport	NY	11731			EDGFI	4,000	\$ 10,000
07/20/2006	Ronde, Richard	7 Madsen Lane	East Northport	NY	11731			EDGFI	10,000	\$ 25,000
10/10/2006	Ronde, Richard	7 Madsen Lane	East Northport	NY	11731			EDGFI	10,000	\$ 25,000
03/21/2006	Rosenthal, Michael Edward	164 Grand View Drive	Warwick	RI	02886			EDGFI	2,000	\$ 5,000
11/09/2006	Rosenthal, Michael Edward	164 Grand View Drive	Warwick	RI	02886			EDGFI	2,000	\$ 5,000
01/05/2005	Salomon, Dr. Jeffrey	10 Carriage Hill Rd	Woodbridge	CT	06525			EDGFI	1,000	\$ 2,500
02/15/2006	Schwendemann, Leroy	3176 Oak Ave	Lehigh	PA	50557			EDGFI	6,000	\$ 15,000
04/06/2006	Schwendemann, Leroy	3176 Oak Ave	Lehigh	PA	50557			EDGFI	14,000	\$ 35,000
11/09/2005	Sherer, Michael	2603 NE 87th St	Seattle	WA	98115			EDGFI	10,000	\$ 25,000
07/26/2006	Sherer, Michael	2603 NE 87th St	Seattle	WA	98115			EDGFI	20,000	\$ 50,000
10/06/2006	Sherer, Michael	2603 NE 87th St	Seattle	WA	98115			EDGFI	10,000	\$ 25,000
10/20/2006	Simmons, Dr. James	190 South Grove Park	Memphis	TN	38117			EDGFI	2,000	\$ 5,000
12/02/2004	Smith, Harlan	660 Bittersweet Trail	Atlanta	GA	30350			EDGFI	1,000	\$ 2,500
08/11/2005	Solocum, Stanley	14317 N. Sky Trail	Tucson	AZ	85737			EDGFI	2,420	\$ 6,050
08/14/2005	Solocum, Stanley	14317 N. Sky Trail	Tucson	AZ	85737			EDGFI	1,646	\$ 4,115
12/06/2005	Solocum, Stanley	14317 N. Sky Trail	Tucson	AZ	85737			EDGFI	40,000	\$ 100,000
02/06/2006	Solocum, Stanley	14317 N. Sky Trail	Tucson	AZ	85737			EDGFI	14,600	\$ 36,500
03/13/2006	Solocum, Stanley	14317 N. Sky Trail	Tucson	AZ	85737			EDGFI	2,400	\$ 6,000
04/26/2006	Solocum, Stanley	14317 N. Sky Trail	Oro Valley	AZ	85755			EDGFI	20,000	\$ 50,000



05/26/2006	Solocum, Stanley	14317 N. Sky Trail	Tucson	AZ	85737	EDGFI	8,620	\$ 21,550
06/13/2006	Solocum, Stanley	PO Box 24027 4813 Woodhill Way	Edina	MN	55424	EDGFI	11,960	\$ 29,900
05/25/2006	Speck, Robert	1650 Primrose	Merced	CA	95340	EDGFI	5,000	\$ 12,500
11/30/2004	Stone, Michael	754 Springlake Ln NW	Atlanta	GA	30318	EDGFI	4,000	\$ 10,000
04/29/2005	Stone, Michael	3568 Clouddland Dr. NW	Atlanta	GA	30327	EDGFI	4,000	\$ 10,000
05/20/2005	Stone, Michael	3568 Clouddland Dr. NW	Atlanta	GA	30327	EDGFI	4,000	\$ 10,000
11/17/2005	Stone, Michael	3568 Clouddland Dr. NW	Atlanta	GA	30327	EDGFI	8,000	\$ 20,000
12/01/2004	Szemkowski Jr, Chester	3616 Lex Court	Port Orange	FL	32129	EDGFI	5,000	\$ 12,500
01/06/2005	Szemkowski Jr, Chester	3616 Lex Court	Port Orange	FL	32129	EDGFI	2,000	\$ 5,000
03/11/2005	Szemkowski Jr, Chester	3616 Lex Court	Port Orange	FL	32129	EDGFI	3,000	\$ 7,500
01/23/2006	Szemkowski Jr, Chester	3616 Lex Court	Port Orange	FL	32129	EDGFI	8,000	\$ 20,000
09/13/2006	Szemkowski Jr, Chester	3616 Lex Court	Port Orange	FL	32129	EDGFI	4,400	\$ 11,000
03/24/2006	Thompson, Leon	14879 Clovercrest Dr	Huntsville	AL	35803	EDGFI	2,000	\$ 5,000
09/28/2005	Tidwell, Donald	1030 Kay St	Longmont	CO	80501	EDGFI	2,000	\$ 5,000
02/08/2006	Wager, Rupert	4555 Mansell Rd Suite 300	Alpharetta	GA	30022	EDGFI	2,000	\$ 5,000
02/15/2006	Wager, Rupert (The Paddock)	4555 Mansell Rd Suite 300	Alpharetta	GA	30022	EDGFI	4,000	\$ 10,000
11/04/2005	Walent, William	18 Gephart Ave	Bedford	PA	15522	EDGFI	1,000	\$ 2,500
05/24/2005	Walker Properties LP	PO Box 1869 505 Hwy 322	Clarksdale	MS	38614	EDGFI	2,000	\$ 5,000
12/10/2005	Wallace, John	787 Ntterra Rd	Nipomo	CA	93444	EDGFI	1,000	\$ 2,500
02/09/2006	Ward, Larry	730 Cherokee Ct	Murfreesboro	TN	37130	EDGFI	1,000	\$ 2,500
09/22/2005	Weber, Theodore	801 W. State St	Belle Plaine	MN	56011	EDGFI	1,000	\$ 2,500
						Amount Raised	\$ 2,323,663	
						Total Amount Raised	\$ 2,791,593	



DEFENDANT: MICHAEL AYN GORN  
CASE NUMBER: 07CR1087-02 (BSJ)

### SCHEDULE OF PAYMENTS

Having assessed the defendant's ability to pay, payment of the total criminal monetary penalties are due as follows:

- A ☒ Lump sum payment of \$ 200.00 due immediately, balance due
- ☐ not later than \_\_\_\_\_, or  
☐ in accordance ☐ C, ☐ D, ☐ E, or ☐ F below; or
- B ☐ Payment to begin immediately (may be combined ☐ C, ☐ D, or ☐ F below); or
- C ☐ Payment in equal \_\_\_\_\_ (e.g., weekly, monthly, quarterly) installments of \_\_\_\_\_ over a period of \_\_\_\_\_ (e.g., months or years), to \_\_\_\_\_ (e.g., 30 or 60 days) after the date of this judgment; or
- D ☐ Payment in equal \_\_\_\_\_ (e.g., weekly, monthly, quarterly) installments of \_\_\_\_\_ over a period of \_\_\_\_\_ (e.g., months or years), to \_\_\_\_\_ (e.g., 30 or 60 days) after release from imprisonment to a term of supervision; or
- E ☐ Payment during the term of supervised release will commence \_\_\_\_\_ (e.g., 30 or 60 days) after release from imprisonment. The court will set the payment plan based on an assessment of the defendant's ability to pay at that time;
- F ☒ Special instructions regarding the payment of criminal monetary penalties:  
Please see page 4 for restitution payment instructions.  
The balance of the restitution shall be paid in monthly installments of 20% of the defendant's gross monthly income over a period of supervision to commence 30 days after the release from custody.  
The defendant shall notify the United States Attorney for this district within 30 days of any change of mailing or residence address that occurs while any portion of the restitution remains unpaid.

Unless the court has expressly ordered otherwise, if this judgment imposes imprisonment, payment of criminal monetary penalties is due during imprisonment. All criminal monetary penalties, except those payments made through the Federal Bureau of Prisons' Inmate Financial Responsibility Program, are made to the clerk of the court.

The defendant shall receive credit for all payments previously made toward any criminal monetary penalties imposed.

**X Joint and Several**

Defendant and Co-Defendant Names and Case Numbers (including defendant number), Total Amount, Joint and Several and corresponding payee, if appropriate.

Felix Strashnov 07CR1087-01 (BSJ) \$2,791,593.00

- ☐ The defendant shall pay the cost of prosecution.
- ☐ The defendant shall pay the following court cost(s):
- ☒ The defendant shall forfeit the defendant's interest in the following property to the United States:  
Please see page 6A for order of forfeiture.

Payments shall be applied in the following order: (1) assessment, (2) restitution principal, (3) restitution interest, (4) fine principal, (5) fine interest, (6) community restitution, (7) penalties, and (8) costs, including cost of prosecution and court costs.

page 13A

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

- - - - -X  
:  
UNITED STATES OF AMERICA  
:  
-v.-  
:  
MICHAEL AYNGORN,  
:  
Defendant.  
:  
- - - - -X

ORDER OF FORFEITURE  
07 Cr. 1087 (BSJ)

WHEREAS, on or about December 3, 2007, MICHAEL AYNGORN, (the "defendant"), was charged in a two-count Indictment 07 Cr. 1087 (BSJ) (the "Indictment") with conspiracy to commit securities fraud and mail fraud, in connection with a scheme to defraud by purporting to offer investors membership interests packaged as "units" in Empire Development Group, LLC ( "EDG"), and Empire Development Group Fund I, LLC ("EDGF"), in violation of Title 18, United States Code, Section 371 (Count One); and with securities fraud, in connection with a scheme to defraud by purporting to offer investors membership interests packaged as "units" in EDG and EDGF, in violation of Title 15, United States Code, Sections 78j(b) & 78ff, Title 17, Code of Federal Regulations, Section 240.10b-5, and Title 18, United States Code, Section 2 (Count Two);

WHEREAS, the Indictment included a forfeiture allegation seeking, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461, all property, real and personal, that constitutes

or is derived from proceeds traceable to the commission of the offense;

WHEREAS, on or about March 23, 2009, the defendant, pled guilty to the Indictment and to the forfeiture allegation;

WHEREAS, on or about November 12, 2009, the defendant was sentenced and ordered to forfeiture of \$2,791,593 in United States currency; and

NOW, THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED THAT:

1. As a result of the offenses in the Indictment, for which the defendant pled guilty, a money judgment in the amount of \$2,791,593 shall be entered against the defendant, as part of his criminal sentence.

2. Pursuant to Rule 32.2(b)(3) of the Federal Rules of Criminal Procedure, this Order of Forfeiture is final as to the defendant, MICHAEL AYNGORN, and is deemed part of the sentence of the defendant and shall be included in the judgment of conviction therewith.

3. Pursuant to Rule 32.2(b)(3) of the Federal Rules of Criminal Procedure, upon entry of this Order of Forfeiture the United States Attorney's Office is authorized to conduct any discovery needed to identify, locate or dispose of the property, including depositions, interrogatories, requests for production



of documents and to issue subpoenas, pursuant to Rule 45 of the Federal Rules of Civil Procedure.

4. All payments on the outstanding money judgment shall be made by postal money order, bank or certified check, made payable, in this instance to the "United States Marshals Service," and delivered by mail to the United States Attorney's Office, Southern District of New York, Attn: Asset Forfeiture Unit, One St. Andrews Plaza, New York, New York 10007.

5. Upon execution of this Order of Forfeiture, and pursuant to 21 U.S.C. § 853, the United States Marshals Service shall be authorized to deposit any payments made on the money judgment in the Assets Forfeiture Fund, and the United States shall have clear title to such forfeited property.

6. The Court shall retain jurisdiction to enforce this Order, and to amend it as necessary, pursuant to Fed. R. Crim. P. 32.2(e).

7. The Clerk of the Court shall forward four certified copies of this Order to Assistant United States Attorney, Sharon Cohen Levin, One St. Andrew's Plaza, New York, New York 10007.

Dated: New York, New York  
December , 2009

3/18/10

SO ORDERED:

  
HONORABLE BARBARA S. JONES  
UNITED STATES DISTRICT JUDGE